Strategy Alignment

Strategy alignment creates clarity around the priorities the business must resource to deliver the results that matter.

Leaders often assume their teams understand the business strategy and are coordinating their actions around that strategy, when in fact this is not always the case. Misaligned teams are more common than leaders realize and can lead to considerable disruption in execution and confusion with customers. Data from McChrystal Group research shows that only 35% agreed that teams within their company share the same perspective on how to succeed in their industry. Further, only 50% indicated their company's leadership articulates how their team's goals contribute to the company's objectives. Misalignment of your teams leads to lost opportunity, lower revenue, and wasted resources, all of which reduce margins.

The beauty of this strategy alignment activity is in its simplicity: it forces you to succinctly capture your key initiatives and demonstrate, on one page, how they connect to the bigger picture. And we've found this format useful whether you lead a small team of frontline workers or a large Fortune 100 company. There are two steps to this team activity.

GETTING STARTED

Capture the critical parts of your strategy in the Appendix A table on the following page. When it comes to your objectives, strategies, and initiatives, make sure that you identify critical metrics that determine progress. To ensure the team is aligned on the most important tasks, be sure to prioritize initiatives. We expect you will be shocked by the illuminating discussions that take place that enable you to identify redundancies, disconnected initiatives, and conflicting priorities.

Once you've drafted the document in Appendix A, it is time to pressure test the strategy. Pressure testing will allow you to identify weak spots that could cause the strategy to fail. One useful pressure testing technique is the Pre-mortem Analysis. You can run this activity with your team in less than 30 minutes to uncover and then mitigate, risks. For instructions and a template to run this activity, see Appendix B. Once the document is pressure tested and finalized, begin every one of your meetings by showing the document and identifying what objective, strategy, or initiative will be addressed.

Brad Smith used this same technique when he was CEO at Intuit to keep his people focused and reinforce their common purpose.

intuit

Mission	To improve our customers' financial lives so profoundly… they can't imagine going back to the old way					
Values	**Integrity Without Compromise**			**We Care & Give Back**		
	Be Bold	Be Passionate	Be Decisive	Learn Fast	Win Together	Deliver Awesome
True North Goals	**Employees** Create an environment where the world's top talent can do the best work of their lives		**Customers** Delight customers more than rivals in ways that matter most		**Shareholders** Inspire confidence in our long term growth, leading to a higher stock price	
Strategy	**Be the Operating System Behind SMB Success**		**Do the Nations' Taxes**			
	Delivering Awesome Product Experiences		Enabling the Contributions of Others - "Network Effect Platforms"		Using Data to Create Delight	
Priorities	Win online & mobile	Win globally	Accelerate "Taxes are Done"	Create unified SMB profile	Everything as a service	
Metrics	• Relative growth • % user growth • Relative mkt share • Relative NPS • PRS •	• Core QBO in all focused GEO's • Compliance/features by country • Accountant +3 recommendations	• Access to data & forms vs goal • Consumer • Pro • Utilization of data/ forms vs. goal • Consumer	• % QBO with single identity • % QBO users with unified billing	• % source code under shared developer tools • WOW scores for services	

APPENDIX A: STRATEGY ALIGNMENT TEAM ACTIVITY

Capture the critical parts of your strategy in the table below. When it comes to your objectives, strategies, and initiatives, make sure that you identify critical metrics that determine progress. To ensure the team is aligned on the most important tasks, be sure to prioritize initiatives.

Vision	*Vision*			
Mission	*Mission*			
Guiding Principles	*Guiding Principle 1*	*Guiding Principle 2*		*Guiding Principle 3*
Objectives	*Objective 1*	*Objective 2*	*Objective 3*	*Objective 4*
Strategies	• *Strategy 1* • *Strategy 2*	• *Strategy 3* • *Strategy 4*	• *Strategy 5* • *Strategy 6*	• *Strategy 7* • *Strategy 8*
Initiatives	• *Initiative 1* • *Initiative 2* • *Initiative 3*	• *Initiative 4* • *Initiative 5* • *Initiative 6*	• *Initiative 7* • *Initiative 8* • *Initiative 9*	• *Initiative 10* • *Initiative 11* • *Initiative 12*

APPENDIX B: PRE-MORTEM EXERCISE

Pre-Mortem is a liberating structure that facilitate uninhibited discussions and creativity in an effort to solve problems or explore new opportunities. Carrying out a Pre-Mortem exercise with your team will allow you to:

→ Leverage diverse perspectives to identify the most consequential causes or reasons for failure for an upcoming project, strategy, product, or event.

→ Evaluate which of those causes and reasons are currently ongoing and must be modified and stopped far in advance.

→ Participants will walk away from this exercise with four or five causes or reasons that could lead to the failure of an initiative, which can then be addressed in further discussions.

MATERIALS AND LOGISTICS

A Pre-Mortem exercise is best done early in the planning stages, or well in advance of an upcoming activity, to be useful to correct the project, strategy, product, or event. We would recommend no more than 30 participants take part in this exercise; anymore and you risk overlooking quieter voices within the group. We also recommend that participants should consist of a mix of people across different teams or levels to ensure a variety of perspectives.

PREPARATION FROM THE SENIOR LEADER

For a Pre-Mortem exercise to be successful, you must have a specific project, strategy, product, or event to be analyzed. As a leader, the following questions can help you identify the issue that should be subjected to the Pre-Mortem exercise.

→ Have you pressure-tested your own strategy or plan?

→ Do you have an important upcoming product, plan or event that needs to be critically evaluated?

→ Do you believe your team understands and agrees with all aspects of a strategy or plan? (They don't, and it is worth hearing their perspectives sooner rather than later.)

Once identified, the initiative to be analyzed should be written down (no more than one page) and shared in advance amongst all participants so they come into the exercise with a shared understanding of the issue.

INSTRUCTIONS

TIME	SCRIPTING
20 MINUTES	**INTRODUCTION & EXERCISE DESCRIPTION** Emphasize that you have no vested interest in any outcome of the exercise, and that the participants, collectively, are doing the real work of identifying and evaluating the critical risks. You only want to improve the existing plans or operations. Summarize the project, strategy, product, or event that will be subjected to the Pre-Mortem exercise and ask if it is clear to everyone.
10 MINUTES	**EXERCISE EXECUTION** *Ask participants to:* • Imagine some point in the future—one week, three months, a few years, or the day after an event—where the initiative has failed. • Spend no more than three minutes to write-down all the causes or reasons that the initiative failed. • After they have written out their causes or reasons, tell them to first identify a criticality score of each cause or reason (on a scale of 1 = unimportant to 5 = load-bearing) and write it under the "C" column. • Now tell them to identify a probability estimate for each cause or reason (on a scale of 0% = impossible to 100% = definitely will occur) and write it under the "P" column. • Emphasize that every cause or reason should have a criticality score (1 to 5) and a probability estimate (0% to 100%).
15 MINUTES	**DISCUSSION AND WRAP UP** Ask participants to share what they wrote down with the group—focusing on those that they assigned a "4" or "5" criticality score, or a 50% or more on the probability estimate. The facilitator should write down the causes or reasons on a whiteboard or flip chart. Group them around themes: internal (leadership, culture, behavioral, ethical, moral implausible goals), and external (economic downturn, customer rejection, regulatory response, malicious activity). *Questions to ask during this process include:* • Are you presently doing these things, or are these behaviors prevalent? Why? • Are there early warning indicators that could hint at these occurring? Are you tracking them? Could you? • What would be required to stop or modify these things? Why aren't, or won't we, they be stopped or modified? • Can you do anything to alter the causes or reasons that are external? Using a show of hands (or 3X5 cards if anonymity is required), the group votes on the top five causes or reasons for failure that they have identified, which must be stopped or substantially modified. These five causes or reasons are captured in a concrete sentence and written out on the board by the facilitator. Ask the group to pause and reflect upon what they accomplished collectively over the past 45 minutes and tell them to review all of the causes and reasons that their initiative might fail.

WORKSHEET

CAUSES AND REASONS FOR FAILURE:	CRITICALITY:	PROBABILITY:

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McChrystal Group helps you drive the results that matter by unleashing the power of your teams. That's why we've been helping organizations get their teams working better, smarter, and faster for over a decade. Forged in combat and proven across industries, we use our Team of Teams® framework to help you get the most out of your teams, turning them into powerful engines of meaningful change.